

MINUTES

STATE BUILDING COMMISSION MEETING

JANUARY 10, 2008

The State Building Commission met this day at 11:00 a.m. in House Hearing Room 30 of the Legislative Plaza, Nashville, Tennessee, with the following State Building Commission members and Departments present.

11:03 a.m.	Department of Education	Assistant Commissioner Robert Greene
11:05 a.m.	Military Department	General David Greer
11:06 a.m.	Tennessee State Veterans Home Board	Chief Information Officer Greg Holmes
11:08 a.m.	University of Tennessee	Assistant Vice President Alvin Payne
11:15 a.m.	Tennessee Board of Regents	Chancellor Charles Manning
11:18 a.m.	Department of Finance and Administration	
12:19 a.m.	State Building Commission	

STATE BUILDING COMMISSION MEMBERS PRESENT

Jimmy Naifeh, Speaker of the House of Representatives
Ron Ramsey, Lieutenant Governor
Dave Goetz, Commissioner, Department of Finance and Administration
John G. Morgan, Comptroller of the Treasury
Dale Sims, State Treasurer
Riley Darnell, Secretary of State

STATE BUILDING COMMISSION MEMBERS ABSENT

Governor Phil Bredesen

OTHERS PRESENT

Mike Fitts, State Architect
Alan Robertson, State Architect's Office
Georgia Martin, State Architect's Office
Charles Garrett, Real Property Administration
Charles Harrison, Comptroller's Office
Dave Thurman, Legislative Budget Office
Mark Wood, Secretary of State's Office
Janie Porter, Attorney General's Office
Genie Whitesell, Attorney General's Office
Reta Adams, House Speaker's Office

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Jerry Preston, Tennessee Board of Regents
Diane Uhler, Tennessee Board of Regents
Dennis Raffield, THEC
Stephen Knight, Finance and Administration
John Carr, Finance and Administration
Steve Campbell, Bell Construction
George Criss, University of Tennessee
Mark Cherpack, Finance and Administration
Mike Morrow, Finance and Administration
Nathan Burton, Treasurer's Office
Cindy Liddell, Bond Finance
Pat Haas, Bond Finance
Leni Chick, Fiscal Review
James White, Fiscal Review
Lola Potter, Finance and Administration
Kevin Steiling, Attorney General's Office
Tim Prow, PBG Builders
Hilda Pope, Tennessee Residence
Beth Thompson, Office of First Lady
Barry Yoakum, Archimania
Bobbie Patray
Richard Tune, TN Historical Commission
Dan Brown, TN Conservation Trust
Patrick McIntyre, TN Historical Commission
Jody Folk, Office of First Lady
Jennifer Hill, citizen
Judy Steele, citizen
June Turner, citizen
Bonnie Benehe, citizen
Eddie Bryan, citizen
Scott Gilmer, House
Steve Brumfield, TN for Accountability in Government
Ike Boone, Finance and Administration
Steve Westerman, Finance and Administration
Chris Wyatt, Crossroads Architecture
Sara Kemp, You Have the Power
Pamela Lewis, You Have the Power
Verna Wyatt, You Have the Power
Marilyn Warren, citizen
Valerie Law, Real Property Administration
Rachel White, Finance and Administration
Tim Schwarz, Finance and Administration
Julie Travis, House Research Division
Julie Roberts, TN Arts Commission
Hal Partlow, TN Arts Commission
Rachel Browning, intern
Tristan Wilkerson, intern
Gladys Jones, REI & Associates
Dick Williams, Common Cause/TN

Speaker Naifeh called the meeting to order at 11:03 a.m. and requested action on the following matters as presented by State Architect Michael A. Fitts.

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DEPARTMENT OF EDUCATION

11:03 a.m.

Assistant Commissioner Robert Greene requested action on the following matter.

ALVIN C. YORK INSTITUTE, JAMESTOWN, TENNESSEE

- 1) Assistant Commissioner Greene presented a request for approval of a project and acknowledgment of the source of funding for **Original High School Demolition** at Alvin C. York Institute, Jamestown, and selection of a designer to design and supervise the project.

Comptroller Morgan asked if it would put anyone in immediate jeopardy if the request was referred to the Subcommittee. He said they have received comments from the Tennessee Historical Commission and would like to understand what is going to happen. He said a lot of people are legitimately emotionally attached to the building. Commissioner Greene responded that it would not be detrimental to wait ten more days for the Subcommittee's action since the children have already been moved out of the building and a fence has been put up for their safety. The Commission voted to refer the matter to the Subcommittee, with authority to act.

Estimated Project Cost: \$500,000.00
SBC Project No. 168/001-01-2008

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MILITARY DEPARTMENT

11:05 a.m.

General David Greer requested action on the following matters.

MCGHEE TYSON AFB, ALCOA, TENNESSEE

- 1) Approved a request for a revision in scope and funding and acknowledgment of the source of funding from \$6,426,000.00 to \$5,676,000.00 (\$750,000.00 decrease) of a project for **AASF II Additions and Renovations** at McGhee Tyson, Alcoa, Tennessee.

Revised Estimated Project Cost: \$5,676,000.00
SBC Project No. 361/102-01-2005

NATIONAL GUARD ARMORY, MORRISTOWN, TENNESSEE

- 1) Approved a request for a revision in funding and acknowledgment of the source of funding from \$570,000.00 to \$620,000.00 (\$50,000.00 increase) of a project for **HVAC Replacement & Interior Renovations** at Morristown, Tennessee.

Revised Estimated Project Cost: \$620,000.00
SBC Project No. 361/063-01-2003

READINESS CENTER, MEMPHIS, TENNESSEE

- 1) Approved a request for a revision in funding and acknowledgment of the source of funding from \$230,000.00 to \$460,000.00 (\$230,000.00 increase) of a project for **Reroof** at Readiness Center in Memphis, Tennessee.

Revised Estimated Project Cost: \$460,000.00
SBC Project No. 361/065-01-2005

HOUSTON BARRACKS, NASHVILLE, TENNESSEE

- 1) Approved a request for a revision in planning funds from \$500,000.00 to \$2,000,000.00 (\$1,500,000.00 increase) of a project for **USPFO Addition / Alteration** at Houston Barracks, Nashville, Tennessee.

Estimated Project Cost: \$25,334,220.00
Revised Estimated Planning Cost: \$ 2,000,000.00
SBC Project No. 361/067-02-2007

NATIONAL GUARD ARMORY, KINGSPORT, TENNESSEE

- 1) Approved a request for a revision in scope and funding to include Field Maintenance Shop and acknowledgment of the source of funding from \$16,000,000.00 to \$20,534,000.00 (\$4,534,000.00 increase) of a project for **Armed Forces Reserve Center** at Kingsport, Tennessee.

Revised Estimated Project Cost: \$20,534,000.00
SBC Project No. 361/046-01-2006

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TENNESSEE STATE VETERANS HOMES BOARD

11:06 a.m.

Chief Information Officer Greg Holmes requested action on the following matter.

WEST TN STATE VETERANS NURSING HOME, HUMBOLDT, TENNESSEE

- 1) Approved a project and acknowledgment of the source of funding for **Healthcare Upgrades** at West TN State Veterans Nursing Home, Humboldt, with work to be accomplished by Departmental Consultant and Direct Order Contract.

Estimated Project Cost: **\$303,000.00**
SBC Project No. *680/000-01-2008*

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UNIVERSITY OF TENNESSEE

11:08 a.m.

Assistant Vice President Alvin Payne requested action on the following matters.

UNIVERSITY OF TENNESSEE AT KNOXVILLE, TENNESSEE

- 1) Approved a request for a revision in scope of a project for **Thompson Boling Arena Improvements** at the University of Tennessee Knoxville to provide a pedestrian bridge connecting the arena east ramp to the adjacent parking garage in lieu of providing additional concession facilities, which will be provided as part of a subsequent project.

Estimated Project Cost: \$19,750,000.00
SBC Project No. 540/009-22-2005

UNIVERSITY OF TENNESSEE AT CHATTANOOGA, TENNESSEE

- 1) Approved the Early Design Phase of a project for **Athletic Training Facility** at the University of Tennessee at Chattanooga as presented by TWH Architects.

Estimated Project Cost: \$3,250,000.00
SBC Project No. 540/005-06-2004

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TENNESSEE BOARD OF REGENTS

11:15 a.m.

Chancellor Charles Manning requested action on the following matters.

Statewide

- 1) Approved a request for a Delivery Order, revision in funding from \$22,022,000.00 to \$29,522,000.00 (a \$7,500,000.00 increase) and acknowledgement of source of funding for **Performance Contracting** at East Tennessee State University in Johnson City, Tennessee.

Estimated Project Cost:	\$ 60,000,000.00
Estimated Delivery Order #13 Cost:	\$ 7,500,000.00
SBC Project No.	166/000-01-2002

East Tennessee State University, Johnson City, Tennessee

- 1) Approved a request to cancel a project for **Ball and Sam Wilson Halls HVAC Updates** at East Tennessee State University in Johnson City, Tennessee.

Estimated Project Cost:	\$750,000.00
SBC Project No.	166/005-01-2007

- 2) Approved a request for a revision in estimated project cost and funding from \$2,860,000.00 to \$2,974,000.00 (a \$114,000.00 increase) and acknowledgement of source of funding for **CoM Cardiology Clinical Education Building** at East Tennessee State University in Johnson City, Tennessee, and authorization to award a construction contract to J. E. Green Company in the amount of \$2,614,100.00 based upon the base bid and three Alternates received December 19, 2007.

Revised Estimated Project Cost:	\$2,974,000.00
SBC Project No.	166/005-10-2005

Tennessee State University, Nashville, Tennessee

- 1) Approved a project and acknowledgment of source of funding for **Student Housing Sanitary Sewer Repairs** at Tennessee State University in Nashville, Tennessee.

Estimated Project Cost:	\$230,000.00
SBC Project No.	166/001-01-2008

- 2) Approved a request for a change in subcontractors for **RaSP Building New Construction** at Tennessee State University in Nashville, from Berk, Inc. (plumbing & HVAC) to Mitchell Plumbing, Inc. (plumbing) and Precision Piping and Mechanical, Inc. (HVAC).

Estimated Project Cost: \$10,090,000.00
SBC Project No. 166/001-02-2003

Dyersburg State Community College, Dyersburg, Tennessee

- 1) Approved a request for a revision in estimated project cost and funding from \$10,116,700.00 to \$9,395,896.00 (a \$720,804.00 decrease) and acknowledgement of source of funding for **Learning Resource Center Addition & Renovation** at Dyersburg State Community College in Dyersburg, Tennessee.

Revised Estimated Project Cost: \$9,395,896.00
SBC Project No. 166/017-01-1992

- 2) Approved a request for a revision in estimated project cost and funding from \$4,697,444.00 to \$5,418,248.00 (a \$720,804.00 increase) and acknowledgement of source of funding for **Student Center Addition & Renovation** at Dyersburg State Community College in Dyersburg, Tennessee. Treasurer Sims commented that, because the previous project was substantially complete, the law allows remaining funds to be shifted to other projects within that institution.

Revised Estimated Project Cost: \$ 5,418,248.00
SBC Project No. 166/017-02-1992

Pellissippi State Technical Community College, Knoxville, Tennessee

- 1) Approved the selection of Messer Construction as Construction Manager/General Contractor for **Blount County Center Improvements** at Pellissippi State Technical Community College in Knoxville, Tennessee, based upon proposals received December 12, 2007.

Estimated Project Cost: \$17,200,000.00
SBC Project No. 166/032-03-2007

Tennessee Technology Center @ Shelbyville, Shelbyville, Tennessee

- 1) Approved a request for a revision in estimated project cost and funding from \$520,000.00 to \$537,000.00 (a \$17,000.00 increase) and acknowledgement of source of funding for **Roof, Structure, and Interior Repairs and Replacements** at the Tennessee Technology Center @ Shelbyville in Shelbyville, Tennessee.

Revised Estimated Project Cost:	\$537,000.00
SBC Project No. 166/086-01-2004	

Discussion of Bids

- 1) Tennessee State University, Nashville
(Fire Safety Upgrades)
SBC Project No. 166/001-04-2006
Bid date: 1-09-2008
SBC Action: Referred to Subcommittee, with authority to act

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DEPARTMENT OF FINANCE AND ADMINISTRATION

STATEWIDE

- 1) Approved a request to issue an RFP for **Space Planning and Interior Design Services** to assist Real Property Administration in execution of capital projects and occupation of lease properties.

SBC Project No. 529/000-01-2008

SPECIAL ITEM

- 1) Approved a request to change the grantee on a grant to the City of **Chattanooga Zoo** to "Friends of the Zoo, Inc." and approval to void the existing grant that was executed on August 31, 2007.

SBC Project No. 529/000-08-2007

THE TENNESSEE RESIDENCE, NASHVILLE, TENNESSEE

- 1) State Architect Mike Fitts was recognized to discuss the status of the restoration and expansion of The Tennessee Residence. He gave a synopsis of the situation to date followed by his response to the six points of objection made by the Oak Hill Planning Commission.
 - In response to the objection that final plans were not submitted, Mr. Fitts responded that 95% complete plans were submitted and there was no requirement to submit 100% complete plans.
 - In response to the objection that no infrastructure improvements were approved, Mr. Fitts responded that he had letters from the design engineers indicating that adequate utilities were available to support the additional load forecast for the facility.
 - In response to the objection that the facility could have a possible commercial use, Mr. Fitts responded that this was a public facility and would be used for public purposes, and there was no indication that the facility would be used for a commercial purpose.
 - In response to the objection that an emergency plan for evacuation of 1217 visitors, Mr. Fitts reminded the Commission that the maximum allowable occupancy is limited to 499 by the State Fire Marshal, and that the design of the facility envisions seated capacity of 160 and standing capacity of 394. Mr. Fitts further explained that the building will be designed and approved by the State Fire Marshal's Office for compliance with all applicable fire and life safety codes.
 - In response to the objection that no traffic study was conducted, Mr. Fitts replied that there was no expected change in usage of the Residence complex and no study was warranted. In response to the objection that there was no discussion of repair or damage to the streets, Mr. Fitts stated that he had a letter from the proposed contractor, PBG, Inc., that indicates they will be responsible for any damage to the street caused by them over normal wear and tear.

Mr. Fitts then stated that, based upon his responses to Oak Hill's six objections, he recommended that the SBC not disapprove continuation of the existing approved project. Commissioner Goetz commented that, relative to the traffic questions, there has not been traditional usage of the Residence due to it being under renovation. He said nothing would be different from past usage, and that events were just going to be held in a building instead of a tent.

Lieutenant Governor Ramsey thanked Mr. Fitts for being so cooperative and providing information to him. He said the zoning part bothered him because he is a builder, and that as he looks back on this in 2003, he was lead to believe that all the money to renovate was to use private funds. He said that around \$5 million was collected from donations and put in a pot to remodel the Residence, and he wanted to know what happened to the \$6 million sent from renovations to the Conservation Hall. He said he was not blaming anybody, but that it just kind of evolved. He said part of this has happened because the project went from above ground to below ground, and they don't have final cost estimates. He said he thought this was somewhat misleading because this is a private Foundation building and, therefore, doesn't have to go through competitive bidding, but most private buildings don't have to go through Planning Commissions. He said he was concerned about the fact that they don't have final cost estimates and was told "don't worry about it because the private Foundation is doing it".

Mr. Fitts stated that he felt confident they were not going to need any more State funds. He said the CM process that the Foundation is using will have a Guaranteed Maximum Price (GMP) very soon. He said there will be no more State funds needed for the connector piece and roundabout. If the costs exceed the GMP, it will be the contractor's responsibility. He said the Foundation is committed to fund any overruns on the Conservation Hall itself.

Commissioner Goetz commented that, as to the Planning Commission involvement, no projects are subject to their review. He referenced the Cardiology Clinical Education Building project at ETSU and said they are doing a gift, and he doubted any of those projects are taken before the Planning Commission in Johnson City. If one had a bad relationship with those kinds of things, it could be very difficult to locate such things as a group home for the mentally handicapped. Secondly, he added that there will be a GMP, which will be the responsibility of the contractor. He said the SBC moves money around to take care of projects and that it is the nature of this body in order to complete projects. He said it was inappropriate to say anything inappropriate is being done here. Lieutenant Governor Ramsey said it still concerns him that this has gone from all private funds to being a small percentage of private funds.

Treasurer Sims stated that the statute, TCA 13-4-104, is not applicable to the State. He said he has a problem with insuring that a local community has a voice when carrying out State activities. He said it seemed to him that one half of the objections in the Planning Commission's transcript were regarding the traffic study and were they going to be allowed to continue to state the capacity at 1,217, which is misleading the public. He said it is difficult when people are articulating what are the facts when their facts are incorrect. He said there was a budget year when projects were required to have a private match and it was not done because of the difficulty to get someone to donate money. He said it is the policy of State government to renovate State facilities and they ought to be maintained by the State. He added that he applauds the First Lady for being energizing, and that the Tennessee Residence is a State facility just like the Legislative Plaza, and it is legitimate to use State money to renovate it. He

said this project, in many respects, is like many we resolved in 2004-06 when experiencing escalating construction costs due to hurricanes and the global environment. Part of what we are dealing with is some of the change in funding driven by most unusual circumstances. He said he appreciates Oak Hill's involvement, but he believed they have addressed the issues.

Mr. Fitts said he could understand some of the confusion. At the time they started the plan, the First Lady had committed to raise 60-80% of the estimated \$5.1 million for restoration of the Residence. The first objective was the renovation of the Residence, but what was done through the legislative appropriation, was to fund more and more of that maintenance, which should be the real responsibility of the State. It allowed, as the State took on more of the burden of the maintenance, more gift funds to go toward Conservation Hall. He said that, until that point in time, the SBC didn't settle on where the share of costs would come from. He said he had letters from The Historical Commission and from Ed Feiner, former GSA Chief Architect in Washington, commenting on the appropriateness of the architectural solution for this project.

Dr. William Kraus, City Manager, was recognized and said he was there speaking on behalf of Oak Hill. He said Oak Hill has been pleased the Tennessee Residence has been in their community. He said the addition will change the use of the property from residential to institutional. He said that he obtained his occupancy capacity numbers from a reputable architectural firm. Speaker Naifeh responded that one can ask a lot of questions to get the answers the way you want them. Treasurer Sims stated that the correct occupancy limit number was 499.

Secretary of State Darnell commented that many of them had received a lot of phone calls and emails inferring they were doing things illegal or immoral. He said that this project has been handled in precisely the same way they handle every project, but, unfortunately, the cost has escalated. He said this project didn't pop out of the closet two weeks ago; it has been around for several years. He said the Legislature appropriated monies and the solution is something different and unique, and that this effort qualifies for the comment "Let no good deed go unpunished". Secretary Darnell added that the original plan was to put a big box on the lawn. In an attempt to deal with that issue, he said extra effort has been taken to do the right thing for the tax payers and for the State property that we own. He said that it was not about a party room, but was about the Governor's continuing business and his place to live. He added that one might not like the fact that they were going to be blasting, building an underground building and spending some money. He said that the State will make every effort to minimize damage, and they were not trying to bulldoze anyone. He added that this project came along at a unique time and, it is through the Governor and First Lady's kindness that the next Administration won't have to deal with this—it will already be done. He said it is not personal, but they need to do what they need to do, and can't be held hostage by local governments.

Commissioner Goetz stated that, having acknowledged and listened to staff reports, he would move to continue with the project. The motion was properly seconded, and all voted "aye", except for Lieutenant Governor Ramsey, who voted "no". Treasurer Sims questioned the Attorney General's office to make sure they don't need to consider legislation relative to the Planning Commission law, and was told "no".

STATE BUILDING COMMISSION

MINUTES OF MEETING OF STATE BUILDING COMMISSION

- 1) Approved the State Building Commission meeting held on December 13, 2007.

BY-LAWS, POLICY AND PROCEDURES OF THE STATE BUILDING COMMISSION

- 1) Approved a request, as recommended by the Subcommittee, to revise Item 14.01, paragraph A, of the *By-Laws, Policy & Procedures of the State Building Commission*, as follows:

"Special use facilities: driver's license testing centers, laboratories, and farms will be charged rates which reflect their respective (total) occupancy expense, **not to be less than the current applicable FRF rate for that region.**"

REPORT OF CHANGE ORDERS RESULTING IN CUMULATIVE CHANGE ORDER COSTS TO EXCEED 10% OF BASE CONTRACT AMOUNT

- 1) **East Tennessee State University**
(Main Campus Apts Phase 2)
Change Order No. 2
Change Order Amount: \$114,396.86
Change Order Percent: 12.64
Cumulative Percent 17.60
SBC Project No. 166/005-07-2006
- 2) **Tennessee Technological University**
(Crafts Center Roof Replacement)
Change Order No. 1
Change Order Amount: \$14,490.24
Change Order Percent: 13.34
Cumulative Percent 13.34
SBC Project No. 166/011-03-2006
- 3) **Volunteer State Community College**
(Tornado Damage Remediation)
Change Order No. 19
Change Order Amount: \$15,361.50
Change Order Percent: 0.63
Cumulative Percent 36.18
SBC Project No. 166/025-01-2006
- 4) **Volunteer State Community College**
(Tornado Damage Remediation)
Change Order No. 20
Change Order Amount: \$105,883.68
Change Order Percent: 4.35
Cumulative Percent 40.53
SBC Project No. 166/025-01-2006

SUB-COMMITTEE REPORT

- 1) Report received of final action taken at the State Building Commission Executive Subcommittee meeting held on November 19, 2007.

DESIGNER SELECTION LIST

Approved the following designer selections as recommended.

- 1) **Alvin C. York Institute**
(Original High School Demolition)
Estimated Project Cost: \$500,000.00
SBC Project No. 168/001-01-2008
Designer: **REFERRED TO SUBCOMMITTEE
WITH AUTHORITY TO ACT**
- 2) **Austin Peay State University**
(Undergraduate Housing)
Estimated Project Cost: \$30,000,000.00
SBC Project No. 166/003-07-2007
Designer: **LYLE COOK MARTIN / CLARK &
ASSOCIATES, A JOINT VENTURE (LCM to
be lead firm with all client contacts)**
- 3) **Tennessee State Capitol**
(Exterior Repairs)
Estimated Project Cost: \$1,650,000.00
SBC Project No. 529/005-01-2004
Designer: **Change designer name from "FOWLKES
& ASSOCIATES ARCHITECTS" to
"CENTRIC ARCHITECTURE"**

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There being no further business, the meeting adjourned at 12:20 p.m.

Approved by: _____

M.D. Goetz, Jr., Commissioner
Department of Finance and Administration